

Fill in this information to identify your case:

United States Bankruptcy Court for the:

DISTRICT OF NEW JERSEY

Case number (if known)

Chapter 11

Check if this an
amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name	<u>Kaars Incorporation</u>		
2. All other names debtor used in the last 8 years	<u>Quality Auto</u> Include any assumed names, trade names and doing business as names		
3. Debtor's federal Employer Identification Number (EIN)	<u>20-2694790</u>		
4. Debtor's address	Principal place of business <u>2-70 Parker Avenue</u> <u>Trenton, NJ 08609</u> Number, Street, City, State & ZIP Code	Mailing address, if different from principal place of business P.O. Box, Number, Street, City, State & ZIP Code	
	<u>Mercer</u> County	Location of principal assets, if different from principal place of business <u>2-70 Parker Avenue Trenton, NJ 08609</u> Number, Street, City, State & ZIP Code	
5. Debtor's website (URL)			
6. Type of debtor	<input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) <input type="checkbox"/> Partnership (excluding LLP) <input type="checkbox"/> Other. Specify: _____		

7. Describe debtor's business

A. Check one:

Health Care Business (as defined in 11 U.S.C. § 101(27A))
 Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
 Railroad (as defined in 11 U.S.C. § 101(44))
 Stockbroker (as defined in 11 U.S.C. § 101(53A))
 Commodity Broker (as defined in 11 U.S.C. § 101(6))
 Clearing Bank (as defined in 11 U.S.C. § 781(3))
 None of the above

B. Check all that apply

Tax-exempt entity (as described in 26 U.S.C. §501)
 Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
 Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.

See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

Chapter 7
 Chapter 9
 Chapter 11. Check all that apply:

Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
 The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
 A plan is being filed with this petition.
 Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
 The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
 The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years? No. Yes.

If more than 2 cases, attach a separate list.

District	Trenton, NJ	When	2/22/09	Case number	09-14182-KCF
District	_____	When	_____	Case number	_____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor? No Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____	
District	_____	When	_____	
			Case number, if known	_____

11. Why is the case filed in this district? *Check all that apply:*

Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.

A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

Other _____

Where is the property?

Number, Street, City, State & ZIP Code _____

Is the property insured?

No

Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds** *Check one:*

Funds will be available for distribution to unsecured creditors.

After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

1-49
 50-99
 100-199
 200-999

1,000-5,000
 5001-10,000
 10,001-25,000

25,001-50,000
 50,001-100,000
 More than 100,000

15. Estimated Assets

\$0 - \$50,000
 \$50,001 - \$100,000
 \$100,001 - \$500,000
 \$500,001 - \$1 million

\$1,000,001 - \$10 million
 \$10,000,001 - \$50 million
 \$50,000,001 - \$100 million
 \$100,000,001 - \$500 million

\$500,000,001 - \$1 billion
 \$1,000,000,001 - \$10 billion
 \$10,000,000,001 - \$50 billion
 More than \$50 billion

16. Estimated liabilities

\$0 - \$50,000
 \$50,001 - \$100,000
 \$100,001 - \$500,000
 \$500,001 - \$1 million

\$1,000,001 - \$10 million
 \$10,000,001 - \$50 million
 \$50,000,001 - \$100 million
 \$100,000,001 - \$500 million

\$500,000,001 - \$1 billion
 \$1,000,000,001 - \$10 billion
 \$10,000,000,001 - \$50 billion
 More than \$50 billion

Debtor

Kaars Incorporation

Name

Document Page 4 of 36

Case number (if known)

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 21, 2016

MM / DD / YYYY

X /s/ Isam Abuhumoud

Signature of authorized representative of debtor

Isam Abuhumoud

Printed name

Title Vice President

18. Signature of attorney

X /s/ Scott E Kaplan

Signature of attorney for debtor

Date June 21, 2016

MM / DD / YYYY

Scott E Kaplan

Printed name

Law Offices of Scott E. Kaplan, LLC

Firm name

**12 N. Main Street, P.O. Box 157
Allentown, NJ 08501**

Number, Street, City, State & ZIP Code

Contact phone 609-259-1112

Email address scott@sekaplanlaw.com

025161977

Bar number and State

Fill in this information to identify the case:

Debtor name Kaars Incorporation

United States Bankruptcy Court for the: DISTRICT OF NEW JERSEY

Case number (if known) _____

Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- Schedule A/B: Assets–Real and Personal Property* (Official Form 206A/B)
- Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- Schedule H: Codebtors* (Official Form 206H)
- Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- Amended Schedule*
- Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- Other document that requires a declaration* _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 21, 2016

X /s/ Isam Abuhumoud

Signature of individual signing on behalf of debtor

Isam Abuhumoud

Printed name

Vice President

Position or relationship to debtor

Fill in this information to identify the case:

Debtor name	Kaars Incorporation
United States Bankruptcy Court for the:	DISTRICT OF NEW JERSEY
Case number (if known):	_____

Check if this is an
amended filing

Official Form 204

Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Alpha Recycling, Inc 1641 E 233rd Street Bronx, NY 10466		Since April, 2014				\$229,000.00
Daimler Truck Financial P.O. Box 901 Roanoke, TX 76262		Voluntary surrender of leased tractor trailer in 4/2016	Unliquidated Subject to Setoff			\$0.00
EH National Bank fkaExcell National Bank 9701 Wilshire Blvd. Beverly Hills, CA 90212		Bank loan		\$1,450,000.00	\$20,000.00	\$1,430,000.00
Elliott & Frantz 450 East Church Road, P.O. Box 1514 King of Prussia, PA 19406-0914			Disputed Subject to Setoff			\$3,375.84
F&M EquipmentLtd dbaMidlantic Machinery 2240 Bethlehem Pike Hatfield, PA 19440		Returned, defective equipment	Unliquidated Disputed			\$0.00
Fulton Bank of New Jersey Hamilton Office 533 Fellowship Road Mount Laurel, NJ 08054		Misc. business equipment, fixtures, furnishing located at 2-70 Parker Aveune, Trenton, NJ		\$247,004.00	\$20,000.00	\$247,004.00
GA Industrial Tire 282 White Horse Pike Clementon, NJ 08021		2011 Defective Tire	Disputed			\$2,836.00

Debtor **Kaars Incorporation**
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
NJ Casualty Ins Company, div of NJM Ins 301 Sullivan Way Trenton, NJ 08628		Alleged workman's comp insurance premium	Unliquidated Disputed			\$0.00

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an
amended filing

**Official Form 206Sum
Summary of Assets and Liabilities for Non-Individuals**

12/15

Part 1: Summary of Assets

1. Schedule A/B: Assets-Real and Personal Property (Official Form 206A/B)

1a. Real property:

Copy line 88 from *Schedule A/B*..... \$ **0.00**

1b. Total personal property:

Copy line 91A from *Schedule A/B*..... \$ **72,300.00**

1c. Total of all property:

Copy line 92 from *Schedule A/B*..... \$ **72,300.00**

Part 2: Summary of Liabilities

2. Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D)

Copy the total dollar amount listed in Column A, *Amount of claim*, from line 3 of *Schedule D*..... \$ **1,697,004.00**

3. Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)

3a. Total claim amounts of priority unsecured claims:

Copy the total claims from Part 1 from line 5a of *Schedule E/F*..... \$ **0.00**

3b. Total amount of claims of nonpriority amount of unsecured claims:

Copy the total of the amount of claims from Part 2 from line 5b of *Schedule E/F*..... +\$ **235,211.84**

4. Total liabilities

Lines 2 + 3a + 3b

\$ **1,932,215.84**

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an
amended filing

Official Form 206A/B

Schedule A/B: Assets - Real and Personal Property

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents

1. Does the debtor have any cash or cash equivalents?

No. Go to Part 2.

Yes Fill in the information below.

All cash or cash equivalents owned or controlled by the debtor

**Current value of
debtor's interest**

\$200.00

2. **Cash on hand**

3. **Checking, savings, money market, or financial brokerage accounts (Identify all)**

Name of institution (bank or brokerage firm)	Type of account	Last 4 digits of account number
--	-----------------	---------------------------------

3.1. Fulton Bank- Payroll Account	Business checking	3777	\$1,000.00
--	--------------------------	-------------	-------------------

3.2. Fulton Bank- Business checking	Business checking	3929	\$1,500.00
--	--------------------------	-------------	-------------------

3.3. Wells Fargo Bank-business checking	Business checking	6711	\$1,500.00
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4. **Other cash equivalents (Identify all)**

5. **Total of Part 1.**

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$4,200.00

Part 2: Deposits and Prepayments

6. Does the debtor have any deposits or prepayments?

No. Go to Part 3.

Yes Fill in the information below.

Debtor Kaars Incorporation _____ Case number (*If known*) _____
Name _____

Part 3: Accounts receivable

10. Does the debtor have any accounts receivable?

No. Go to Part 4.
 Yes Fill in the information below.

11. **Accounts receivable**

11a. 90 days old or less:	<u>5,000.00</u>	-	<u>0.00</u>	=	<u>\$5,000.00</u>
	face amount		doubtful or uncollectible accounts		

12. **Total of Part 3.**

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$5,000.00

Part 4: Investments

13. Does the debtor own any investments?

No. Go to Part 5.
 Yes Fill in the information below.

Part 5: Inventory, excluding agriculture assets

18. Does the debtor own any inventory (excluding agriculture assets)?

No. Go to Part 6.
 Yes Fill in the information below.

General description	Date of the last physical inventory	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
---------------------	-------------------------------------	---	---	------------------------------------

19. Raw materials		<u>\$40,000.00</u>		<u>\$40,000.00</u>
Misc. used auto parts				

20. **Work in progress**

21. **Finished goods, including goods held for resale**

22. **Other inventory or supplies**

23. **Total of Part 5.**

Add lines 19 through 22. Copy the total to line 84.

\$40,000.00

24. **Is any of the property listed in Part 5 perishable?**

No
 Yes

25. **Has any of the property listed in Part 5 been purchased within 20 days before the bankruptcy was filed?**

No
 Yes. Book value _____ Valuation method _____ Current Value _____

26. **Has any of the property listed in Part 5 been appraised by a professional within the last year?**

No
 Yes

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?

Debtor Kaars Incorporation
Name _____

Case number (*If known*) _____

No. Go to Part 7.
 Yes Fill in the information below.

Part 7: Office furniture, fixtures, and equipment; and collectibles

38. Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?

No. Go to Part 8.
 Yes Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
---------------------	--	---	------------------------------------

39. Office furniture			
40. Office fixtures Misc. business equipment, fixtures, furnishing located at 2-70 Parker Aveune, Trenton, NJ	\$20,000.00	Liquidation	\$20,000.00

41. Office equipment, including all computer equipment and communication systems equipment and software			
42. Collectibles Examples: Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles			
43. Total of Part 7. Add lines 39 through 42. Copy the total to line 86.			\$20,000.00
44. Is a depreciation schedule available for any of the property listed in Part 7?			
	<input checked="" type="checkbox"/> No		
	<input type="checkbox"/> Yes		
45. Has any of the property listed in Part 7 been appraised by a professional within the last year?			
	<input checked="" type="checkbox"/> No		
	<input type="checkbox"/> Yes		

Part 8: Machinery, equipment, and vehicles

46. Does the debtor own or lease any machinery, equipment, or vehicles?

No. Go to Part 9.
 Yes Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
---------------------	--	---	------------------------------------

47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
47.1. 2000 Ford F-150 (250,000 miles)	\$0.00		\$600.00

48. Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			
49. Aircraft and accessories			
50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment)			

Debtor Kaars Incorporation _____ Case number (*If known*) _____
Name _____

51. **Total of Part 8.** _____ **\$600.00** _____
Add lines 47 through 50. Copy the total to line 87.

52. **Is a depreciation schedule available for any of the property listed in Part 8?**

No
 Yes

53. **Has any of the property listed in Part 8 been appraised by a professional within the last year?**

No
 Yes

Part 9: Real property

54. **Does the debtor own or lease any real property?**

No. Go to Part 10.
 Yes Fill in the information below.

Part 10: Intangibles and intellectual property

59. **Does the debtor have any interests in intangibles or intellectual property?**

No. Go to Part 11.
 Yes Fill in the information below.

Part 11: All other assets

70. **Does the debtor own any other assets that have not yet been reported on this form?**

Include all interests in executory contracts and unexpired leases not previously reported on this form.

No. Go to Part 12.
 Yes Fill in the information below.

**Current value of
debtor's interest**

71. **Notes receivable**
Description (include name of obligor)

72. **Tax refunds and unused net operating losses (NOLs)**
Description (for example, federal, state, local)

73. **Interests in insurance policies or annuities**

74. **Causes of action against third parties (whether or not a lawsuit
has been filed)**

75. **Other contingent and unliquidated claims or causes of action of
every nature, including counterclaims of the debtor and rights to
set off claims**

76. **Trusts, equitable or future interests in property**

77. **Other property of any kind not already listed** Examples: Season tickets,
country club membership

Digital security monitoring system **\$2,500.00**

78. **Total of Part 11.** _____ **\$2,500.00** _____
Add lines 71 through 77. Copy the total to line 90.

Debtor Kaars Incorporation _____ Case number (*If known*) _____
Name _____

79. Has any of the property listed in Part 11 been appraised by a professional within the last year?

No
 Yes

Debtor Kaars Incorporation
Name

Case number (If known) _____

Part 12: **Summary**

In Part 12 copy all of the totals from the earlier parts of the form

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1</i>	<u>\$4,200.00</u>	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	<u>\$0.00</u>	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	<u>\$5,000.00</u>	
83. Investments. <i>Copy line 17, Part 4.</i>	<u>\$0.00</u>	
84. Inventory. <i>Copy line 23, Part 5.</i>	<u>\$40,000.00</u>	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	<u>\$0.00</u>	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	<u>\$20,000.00</u>	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	<u>\$600.00</u>	
88. Real property. <i>Copy line 56, Part 9.....></i>		<u>\$0.00</u>
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	<u>\$0.00</u>	
90. All other assets. <i>Copy line 78, Part 11.</i>	<u>\$2,500.00</u>	
91. Total. Add lines 80 through 90 for each column	<u>\$72,300.00</u>	+ 91b. <u>\$0.00</u>
92. Total of all property on Schedule A/B. Add lines 91a+91b=92		<u>\$72,300.00</u>

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

 Check if this is an amended filing**Official Form 206D****Schedule D: Creditors Who Have Claims Secured by Property****12/15**

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.

Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

Creditor's Name	Column A Amount of claim	Column B Value of collateral that supports this claim
2.1 EH National Bank fkaExcel National Bank 9701 Wilshire Blvd. Beverly Hills, CA 90212	Describe debtor's property that is subject to a lien Misc. business equipment, fixtures, furnishing located at 2-70 Parker Aveune, Trenton, NJ Do not deduct the value of collateral. \$1,450,000.00	 \$20,000.00
Creditor's mailing address		
Creditor's email address, if known		
Date debt was incurred Guarantee dated 3/31/08 of co-debtors mortgage loan for 2-70 Parker Avenue, Tr Last 4 digits of account number 5010	Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
Do multiple creditors have an interest in the same property?	Is anyone else liable on this claim? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H)	
1. EH National Bank fkaExcel National Bank 2. Fulton Bank of New Jersey	As of the petition filing date, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	

Creditor's Name 2.2 Fulton Bank of New Jersey Hamilton Office 533 Fellowship Road Mount Laurel, NJ 08054	Describe debtor's property that is subject to a lien Misc. business equipment, fixtures, furnishing located at 2-70 Parker Aveune, Trenton, NJ \$247,004.00	 \$20,000.00
Creditor's mailing address		
Creditor's email address, if known		
Date debt was incurred	Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
Is anyone else liable on this claim? <input type="checkbox"/> No		

Debtor Kaars Incorporation _____ Case number (if known) _____

Name _____

Yes. Fill out *Schedule H: Codebtors* (Official Form 206H)

Last 4 digits of account number _____

Do multiple creditors have an
interest in the same property?

No

Yes. Specify each creditor,
including this creditor and its relative
priority.

As of the petition filing date, the claim is:

Check all that apply

- Contingent
- Unliquidated
- Disputed

Specified on line 2.1

3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.

**\$1,697,004.0
0**

Part 2: List Others to Be Notified for a Debt Already Listed in Part 1

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to be notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

Name and address

On which line in Part 1 did
you enter the related creditor?

Last 4 digits of
account number for
this entity

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an
amended filing

Official Form 206E/F

Schedule E/F: Creditors Who Have Unsecured Claims

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims? (See 11 U.S.C. § 507).

No. Go to Part 2.
 Yes. Go to line 2.

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

		Amount of claim
3.1	Nonpriority creditor's name and mailing address Alpha Recycling, Inc 1641 E 233rd Street Bronx, NY 10466 Date(s) debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$229,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Since April, 2014 Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.2	Nonpriority creditor's name and mailing address Daimler Truck Financial P.O. Box 901 Roanoke, TX 76262 Date(s) debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Voluntary surrender of leased tractor trailer in 4/2016 Is the claim subject to offset? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
3.3	Nonpriority creditor's name and mailing address Elliott & Frantz 450 East Church Road, P.O. Box 1514 King of Prussia, PA 19406-0914 Date(s) debt was incurred 9/2015 Last 4 digits of account number 4286	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$3,375.84 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
3.4	Nonpriority creditor's name and mailing address F&M EquipmentLtd dbaMidlantic Machinery 2240 Bethlehem Pike Hatfield, PA 19440 Date(s) debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: Returned, defective equipment Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor Kaars Incorporation Case number (if known) _____

3.5	Nonpriority creditor's name and mailing address GA Industrial Tire 282 White Horse Pike Clementon, NJ 08021	As of the petition filing date, the claim is: <i>Check all that apply.</i>	\$2,836.00
		<input type="checkbox"/> Contingent	
		<input type="checkbox"/> Unliquidated	
		<input checked="" type="checkbox"/> Disputed	
		Basis for the claim: 2011 Defective Tire	
	Date(s) debt was incurred _____	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
3.6	Nonpriority creditor's name and mailing address NJ Casualty Ins Company, div of NJM Ins 301 Sullivan Way Trenton, NJ 08628	As of the petition filing date, the claim is: <i>Check all that apply.</i>	Unknown
		<input type="checkbox"/> Contingent	
		<input checked="" type="checkbox"/> Unliquidated	
		<input type="checkbox"/> Disputed	
	Date(s) debt was incurred <u>2011 & 2012</u>	Basis for the claim: Alleged workman's comp insurance premium	
	Last 4 digits of account number _____	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	

Part 3: List Others to Be Notified About Unsecured Claims

4. List in alphabetical order any others who must be notified for claims listed in Parts 1 and 2. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for unsecured creditors.

If no others need to be notified for the debts listed in Parts 1 and 2, do not fill out or submit this page. If additional pages are needed, copy the next page.

	Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1	Freeman & Mintz, ,PA 34 Tanner Street Attn: Laura A. Cochet, Esq Haddonfield, NJ 08033-2482	Line <u>3.6</u>	—
		<input type="checkbox"/> Not listed. Explain _____	
4.2	Grimley Financial Corporation 30 Washington Ave Haddonfield, NJ 08033	Line <u>3.3</u>	—
		<input type="checkbox"/> Not listed. Explain _____	
4.3	Lewis & Lin LLC 45 Main St, Suite 608 Brooklyn, NY 11201-8200	Line <u>3.1</u>	—
		<input type="checkbox"/> Not listed. Explain _____	
4.4	Mercedes Benz Financial LLC 36455 Corporate Drive Farmington, MI 48331	Line <u>3.2</u>	—
		<input type="checkbox"/> Not listed. Explain _____	
4.5	William J. Perrone, Esquire 1299 Shadow Oak Drive Malvern, PA 19355-2313	Line <u>3.4</u>	—
		<input type="checkbox"/> Not listed. Explain _____	

Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims

5. Add the amounts of priority and nonpriority unsecured claims.

5a. Total claims from Part 1

5b. Total claims from Part 2

5c. Total of Parts 1 and 2

Lines 5a + 5b = 5c.

Total of claim amounts	
5a.	\$ <u>0.00</u>
5b.	\$ <u>235,211.84</u>
5c.	\$ <u>235,211.84</u>

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an
amended filing

Official Form 206G

Schedule G: Executory Contracts and Unexpired Leases

12/15

Be as complete and accurate as possible. If more space is needed, copy and attach the additional page, number the entries consecutively.

1. Does the debtor have any executory contracts or unexpired leases?

No. Check this box and file this form with the debtor's other schedules. There is nothing else to report on this form.

Yes. Fill in all of the information below even if the contacts of leases are listed on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B).

2. List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.1. State what the contract or lease is for and the nature of the debtor's interest

**Two 2014 Peterbilt 337
Flatbed Car Carriers
and 3 2014 Hino Flat
Bed Car Carriers and
2012 Ford F-450 Self
loader and 2014 3500
Ram Self loader**

State the term remaining

List the contract number of any government contract

**Integrated Vehicle Leasing aka Signature
68 South Service Road
Melville, NY 11747**

2.2. State what the contract or lease is for and the nature of the debtor's interest

**Leases of 1 Komatsu
Hydraulic Excavator
and 1 Wheel Loader**

State the term remaining

3 years

**Komatsu Financial Limited Partnership
1701 W. Golf Road, Ste 1-300
Rolling Meadows, IL 60008**

2.3. State what the contract or lease is for and the nature of the debtor's interest

**Lease of 2012 Peterbilt
337 Allison Auto Trans
Car Carrier**

State the term remaining

3 years

**Signature Financial LLC
68 South Service Road
Melville, NY 11747**

2.4. State what the contract or lease is for and the nature of the debtor's interest

**Twenty-five (25) lease
of 2-70 Parker Avenue,
Trenton, NJ for
non-residential
property
22 years**

State the term remaining

22 years

**Suzan Mansour
Isam Abuhumoud
32 Emerald Road
Trenton, NJ 08691**

Debtor 1 **Kaars Incorporation**

First Name

Middle Name

Last Name

Case number (if known)

Additional Page if You Have More Contracts or Leases

2. List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an
amended filing

Official Form 206H Schedule H: Your Codebtors

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

1. Do you have any codebtors?

No. Check this box and submit this form to the court with the debtor's other schedules. Nothing else needs to be reported on this form.
 Yes

2. In Column 1, list as codebtors all of the people or entities who are also liable for any debts listed by the debtor in the schedules of creditors, **Schedules D-G**. Include all guarantors and co-obligors. In Column 2, identify the creditor to whom the debt is owed and each schedule on which the creditor is listed. If the codebtor is liable on a debt to more than one creditor, list each creditor separately in Column 2.

Column 1: Codebtor

Column 2: Creditor

Name

Mailing Address

Name

Check all schedules
that apply:

2.1 **Isam
Abuhumoud**

**32 Emerald Road
Trenton, NJ 08691**

**EH National Bank
fkaExcell National
Bank**

D 2.1
 E/F _____
 G _____

2.2 **Isam
Abuhumoud**

**32 Emerald Road
Trenton, NJ 08691**

**Fulton Bank of New
Jersey**

D 2.2
 E/F _____
 G _____

2.3 **Suzan Mansour**

**32 Emerald Road
Trenton, NJ 08691**

**EH National Bank
fkaExcell National
Bank**

D 2.1
 E/F _____
 G _____

2.4 **Suzan Mansour**

**32 Emerald Road
Trenton, NJ 08691**

**Fulton Bank of New
Jersey**

D 2.2
 E/F _____
 G _____

Fill in this information to identify the case:

Debtor name **Kaars Incorporation**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) _____

Check if this is an amended filing

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

04/16

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income

1. Gross revenue from business

None.

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year

Sources of revenue
Check all that apply

Gross revenue
(before deductions and exclusions)

For year before that:

From **1/01/2014** to **12/31/2014**

Operating a business

\$4,937,225.00

Other **Sales**

For the fiscal year:

From **1/01/2013** to **12/31/2013**

Operating a business

\$5,598,694.00

Other _____

2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

None.

Description of sources of revenue

Gross revenue from each source
(before deductions and exclusions)

Part 2: List Certain Transfers Made Before Filing for Bankruptcy

3. Certain payments or transfers to creditors within 90 days before filing this case

List payments or transfers--including expense reimbursements--to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

None.

Creditor's Name and Address

Dates

Total amount of value

Reasons for payment or transfer
Check all that apply

3.1. **EH National Bank**
9701 Wilshire Blvd.
Beverly Hills, CA 90212

\$10,330 on
4/15/16,
5/15/2016 &
6/15/2016

\$30,990.00

Secured debt
 Unsecured loan repayments
 Suppliers or vendors
 Services
 Other _____

Debtor Kaars Incorporation

Document Page 23 of 36

Case number (if known)

Creditor's Name and Address	Dates	Total amount of value	Reasons for payment or transfer Check all that apply
3.2. Star Insurance Company Somerset, NJ	\$10,100 on 4/20/16, 5/20/16 & 6/20/16	\$30,300.00	<input type="checkbox"/> Secured debt <input type="checkbox"/> Unsecured loan repayments <input type="checkbox"/> Suppliers or vendors <input type="checkbox"/> Services <input checked="" type="checkbox"/> Other <u>Insurance premiums</u>

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. *Insiders* include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

 None.

Insider's name and address Relationship to debtor	Dates	Total amount of value	Reasons for payment or transfer
4.1. Suzan Mansour 110 Englewood Blvd Hamilton, NJ 08609	11915 rent per month x 10 months	\$119,150.00	

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

 None

Creditor's name and address	Describe of the Property	Date	Value of property
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6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

 None

Creditor's name and address	Description of the action creditor took	Date action was taken	Amount
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Part 3: Legal Actions or Assignments**7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits**

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

 None.

Case title Case number	Nature of case	Court or agency's name and address	Status of case
7.1. F&M Equipment Ltd dba Midlantic Machinery, Inc. dba Midlantic Machinery v. Kaars Incorporated 2016-04742	Collection	Court of Common Pleas, Montgomery County	<input checked="" type="checkbox"/> Pending <input type="checkbox"/> On appeal <input type="checkbox"/> Concluded
7.2. New Jersey Casualty Insurance Company, div of NJM Insurance v. KAARS INCORPORATION MER-L-001300-15	Collection	NJ Superior Court, Mercer County Law Div P.O. Box 8068 Trenton, NJ 08650-0068	<input checked="" type="checkbox"/> Pending <input type="checkbox"/> On appeal <input type="checkbox"/> Concluded

Debtor Kaars Incorporation**8. Assignments and receivership**

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

None

Part 4: Certain Gifts and Charitable Contributions**9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000**

None

Recipient's name and address	Description of the gifts or contributions	Dates given	Value
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Part 5: Certain Losses**10. All losses from fire, theft, or other casualty within 1 year before filing this case.**

None

Description of the property lost and how the loss occurred	Amount of payments received for the loss	Dates of loss	Value of property lost
	If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received.		
	List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property).		

Part 6: Certain Payments or Transfers**11. Payments related to bankruptcy**

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

None.

Who was paid or who received the transfer? Address	If not money, describe any property transferred	Dates	Total amount or value
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11.1. **Law Offices of Scott E. Kaplan, LLC**
12 N. Main Street, P.O. Box
157
Allentown, NJ 08501

Attorney Fees

\$7,500.00

Email or website address
scott@sekaplanlaw.com

Who made the payment, if not debtor?

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.

Do not include transfers already listed on this statement.

None.

Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
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Debtor **Kaars Incorporation**

6/21/16 4:21PM

13. Transfers not already listed on this statement

List any transfers of money or other property by sale, trade, or any other means made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

None.

Who received transfer? Address	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
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Part 7: Previous Locations**14. Previous addresses**

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

Does not apply

Address	Dates of occupancy From-To
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Part 8: Health Care Bankruptcies**15. Health Care bankruptcies**

Is the debtor primarily engaged in offering services and facilities for:

- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

No. Go to Part 9.

Yes. Fill in the information below.

Facility name and address	Nature of the business operation, including type of services the debtor provides	If debtor provides meals and housing, number of patients in debtor's care
---------------------------	---	---

Part 9: Personally Identifiable Information**16. Does the debtor collect and retain personally identifiable information of customers?**

No.

Yes. State the nature of the information collected and retained.

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?

No. Go to Part 10.

Yes. Does the debtor serve as plan administrator?

Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units**18. Closed financial accounts**

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?

Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

None

Financial Institution name and Address	Last 4 digits of account number	Type of account or instrument	Date account was closed, sold, moved, or transferred	Last balance before closing or transfer
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19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

None**Depository institution name and address****Names of anyone with access to it**
Address**Description of the contents****Do you still have it?****20. Off-premises storage**

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

 None**Facility name and address****Names of anyone with access to it****Description of the contents****Do you still have it?****Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own****21. Property held for another**

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

 None**Part 12: Details About Environment Information**

For the purpose of Part 12, the following definitions apply:

Environmental law means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).*Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.*Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.**Report all notices, releases, and proceedings known, regardless of when they occurred.****22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.** No. Yes. Provide details below.**Case title**
Case number**Court or agency name and address****Nature of the case****Status of case****23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?** No. Yes. Provide details below.**Site name and address****Governmental unit name and address****Environmental law, if known****Date of notice****24. Has the debtor notified any governmental unit of any release of hazardous material?** No. Yes. Provide details below.**Site name and address****Governmental unit name and address****Environmental law, if known****Date of notice****Part 13: Details About the Debtor's Business or Connections to Any Business**

Debtor Kaars Incorporation**25. Other businesses in which the debtor has or has had an interest**

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

None

Business name address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.1. Kaars Incorporated 2-70 Parker Avenue Trenton, NJ 08609	Sales of vehicle parts, vehicle servicing and repairs; towing	Dates business existed EIN: 202-694790 From-To 4/06/05 to present

26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

None

Name and address	Date of service From-To
26a.1. Joel D. Tracy, C.P.A. 39 Avenue At The Common Shrewsbury, NJ 07702	Since 2006

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

None

Name and address	Date of service From-To
26b.1. Joel D. Tracy, C.P.A. 39 Avenue At The Common Shrewsbury, NJ 07702	

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

None

Name and address	If any books of account and records are unavailable, explain why
26c.1. Joel D. Tracy, C.P.A. 39 Avenue At The Common Shrewsbury, NJ 07702	

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

None

Name and address

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

No

Yes. Give the details about the two most recent inventories.

	Name of the person who supervised the taking of the inventory	Date of inventory	The dollar amount and basis (cost, market, or other basis) of each inventory
27.1	Isam Abuhumoud	1/6/16	\$40,000

Name and address of the person who has possession of inventory records

Debtor

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

Name	Address	Position and nature of any interest	% of interest, if any
Suzan Mansour	32 Emerald Road Trenton, NJ 08691	President	50%
Isam Abuhumoud	32 Emerald Road Trenton, NJ 08691	V.P., Sec'y	50

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

No
 Yes. Identify below.

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

No
 Yes. Identify below.

Name and address of recipient	Amount of money or description and value of property	Dates	Reason for providing the value
30.1 Suzan Mansour	\$26,000 (\$500.00/week)	Weekly	Salary
Relationship to debtor President & 50% equity interest holder			

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

No
 Yes. Identify below.

Name of the parent corporation _____ Employer Identification number of the parent corporation _____

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

No
 Yes. Identify below.

Debtor Kaars Incorporation

Document Page 29 of 36

Case number (if known)

Name of the parent corporation

Employer Identification number of the parent corporation

Part 14: Signature and Declaration

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both.
18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 21, 2016

/s/ Isam Abuhumoud

Signature of individual signing on behalf of the debtor

Isam Abuhumoud

Printed name

Position or relationship to debtor Vice President

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

No
 Yes

United States Bankruptcy Court
District of New JerseyIn re Kaars Incorporation

Debtor(s)

Case No.

Chapter

11

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the above named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

 FLAT FEE

For legal services, I have agreed to accept \$
 Prior to the filing of this statement I have received \$
 Balance Due \$

 RETAINER

For legal services, I have agreed to accept and received a retainer of \$ **7,500.00**
 The undersigned shall bill against the retainer at an hourly rate of \$ **300.00**
 [Or attach firm hourly rate schedule.] Debtor(s) have agreed to pay all Court approved fees and expenses exceeding the amount of the retainer.

2. The source of the compensation paid to me was:

Debtor Other (specify):

3. The source of compensation to be paid to me is:

Debtor Other (specify):

4. I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- [Other provisions as needed]

Negotiations with secured creditors to reduce to market value; exemption planning; preparation and filing of reaffirmation agreements and applications as needed; preparation and filing of motions pursuant to 11 USC 522(f)(2)(A) for avoidance of liens on household goods.

6. By agreement with the debtor(s), the above-disclosed fee does not include the following service:

Representation of the debtors in any dischargeability actions, judicial lien avoidances, relief from stay actions or any other adversary proceeding.

In re Kaars Incorporation
Debtor(s)

Case No. _____

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)
(Continuation Sheet)

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

June 21, 2016
Date

/s/ Scott E Kaplan
Scott E Kaplan 025161977
Signature of Attorney
Law Offices of Scott E. Kaplan, LLC
12 N. Main Street, P.O. Box 157
Allentown, NJ 08501
609-259-1112 Fax: 609-259-5600
scott@sekaplanlaw.com
Name of law firm

**United States Bankruptcy Court
District of New Jersey**

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11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with rule 1007(a)(3) for filing in this Chapter 11 Case

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Isam Abuhumoud 32 Emerald Road Trenton, NJ 08691	Common shares	50 shares	50%
Suzan Mansour 32 Emerald Road Trenton, NJ 08691	Common shares	50 shares	50%

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the **Vice President** of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date June 21, 2016

Signature /s/ Isam Abuhumoud
Isam Abuhumoud

*Penalty for making a false statement of concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.*

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VERIFICATION OF CREDITOR MATRIX

I, the Vice President of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: June 21, 2016

/s/ Isam Abuhumoud
Isam Abuhumoud/Vice President
Signer>Title

Alpha Recycling, Inc
1641 E 233rd Street
Bronx, NY 10466

Daimler Truck Financial
P.O. Box 901
Roanoke, TX 76262

EH National Bank fkaExcell National Bank
9701 Wilshire Blvd.
Beverly Hills, CA 90212

Elliott & Frantz
450 East Church Road, P.O. Box 1514
King of Prussia, PA 19406-0914

F&M EquipmentLtd dbaMidlantic Machinery
2240 Bethlehem Pike
Hatfield, PA 19440

Freeman & Mintz, , PA
34 Tanner Street
Attn: Laura A. Cochet, Esq
Haddonfield, NJ 08033-2482

Fulton Bank of New Jersey
Hamilton Office
533 Fellowship Road
Mount Laurel, NJ 08054

GA Industrial Tire
282 White Horse Pike
Clementon, NJ 08021

Grimley Financial Corporation
30 Washington Ave
Haddonfield, NJ 08033

Integrated Vehicle Leasing aka Signature
68 South Service Road
Melville, NY 11747

Isam Abuhumoud
32 Emerald Road
Trenton, NJ 08691

Komatsu Financial Limited Partnership
1701 W. Golf Road, Ste 1-300
Rolling Meadows, IL 60008

Lewis & Lin LLC
45 Main St, Suite 608
Brooklyn, NY 11201-8200

Mercedes Benz Financial LLC
36455 Corporate Drive
Farmington, MI 48331

NJ Casualty Ins Company, div of NJM Ins
301 Sullivan Way
Trenton, NJ 08628

Signature Financial LLC
68 South Service Road
Melville, NY 11747

Suzan Mansour
Isam Abuhumoud
32 Emerald Road
Trenton, NJ 08691

Suzan Mansour
32 Emerald Road
Trenton, NJ 08691

Suzan Mansour
32 Emerald Road
Trenton, NJ 08691

William J. Perrone, Esquire
1299 Shadow Oak Drive
Malvern, PA 19355-2313

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CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for Kaars Incorporation in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

■ None [Check if applicable]

June 21, 2016

Date

/s/ Scott E Kaplan

Scott E Kaplan 025161977

Signature of Attorney or Litigant
Counsel for **Kaars Incorporation**
Law Offices of Scott E. Kaplan, LLC
12 N. Main Street, P.O. Box 157
Allentown, NJ 08501
609-259-1112 Fax:609-259-5600
scott@sekaplanlaw.com